10/30/87 A6225-2

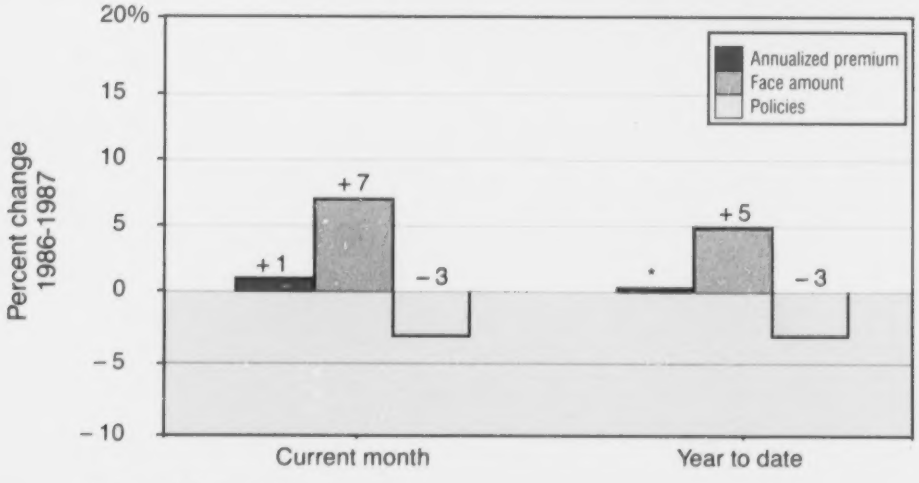
I/R Code 47.40

***August 1987***

# MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

## Growth Rates for 35 Companies

### Comparisons with Last Year

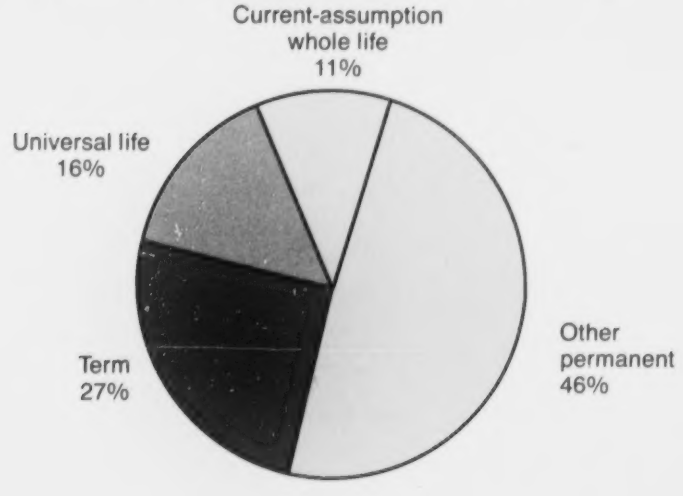



*Less than ½ of 1 percent

## Individual Products

### Annualized Premium Market Share by Product

18 Companies Representing 61 Percent of August Sales




| | Year-to-date |
|---|---|
| Term | 25% |
| UL | 15% |
| CAL | 12% |
| Perm | 48% |

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***Profit from our research.***

# Individual Products (cont.)

## Comparisons with Last Year

Ratio 1987/1986

| | | Annualized premiums | Face amount | Number of policies |
|---|---|---|---|---|
| Term (17 cos.) | Month | 125% | 117% | 105% |
| | Year to date | 114% | 114% | 107% |
| Universal life (18 cos.) | Month | 138% | 135% | 132% |
| | Year to date | 120% | 115% | 118% |
| Current-assumption whole life (7 cos.) | Month | 91% | 85% | 101% |
| | Year to date | 92% | 88% | 103% |

## Policy Characteristics by Product

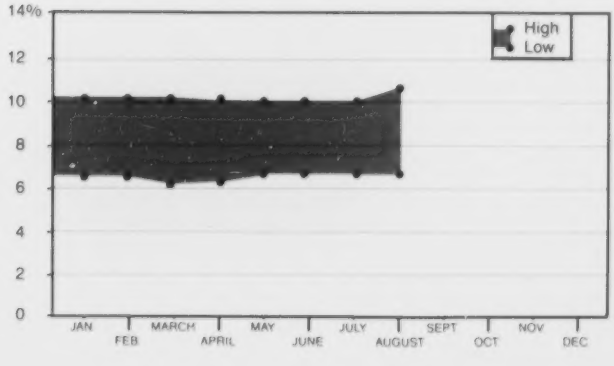
| | | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|---|
| Term (17 cos.) | Month | $3.70 | $141,121 | $522 |
| | Year to date | $3.47 | $139,100 | $482 |
| | Year-to-date ratio | 100% | 107% | 107% |
| Universal life (18 cos.) | Month | $9.18 | $ 81,477 | $748 |
| | Year to date | $9.21 | $ 76,908 | $708 |
| | Year-to-date ratio | 104% | 98% | 101% |
| Current-assumption whole life (7 cos.) | Month | $5.06 | $ 57,813 | $292 |
| | Year to date | $4.98 | $ 59,738 | $298 |
| | Year-to-date ratio | 105% | 85% | 89% |
| Total sales (35 cos.) | Month | $6.76 | $ 79,733 | $539 |
| | Year to date | $6.85 | $ 76,604 | $525 |
| | Year-to-date ratio | 95% | 108% | 104% |

## Universal Life

### Interest Rates This Month

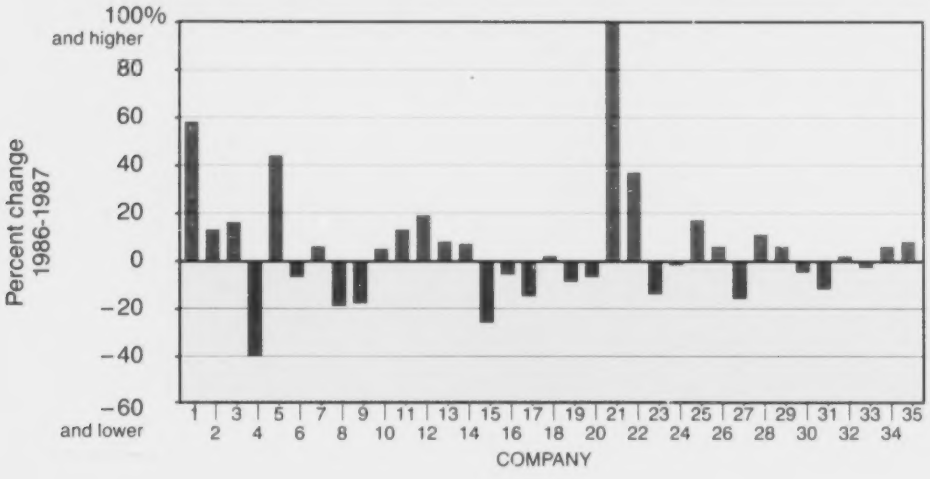
| | |
|---|---|
| Median | 8.9% |
| Number of cos. reporting rates | 15 |
| Number of plans reported | 28 |
| Number of new plans | 0 |
| Number of plans dropped | 0 |
| Number of plans showing . . . | |
| No change | 19 |
| Increases | 9 |
| Average increase | 0.5% |
| Decreases | 0 |
| Average decrease | – |

### 1987 Interest Rate Range



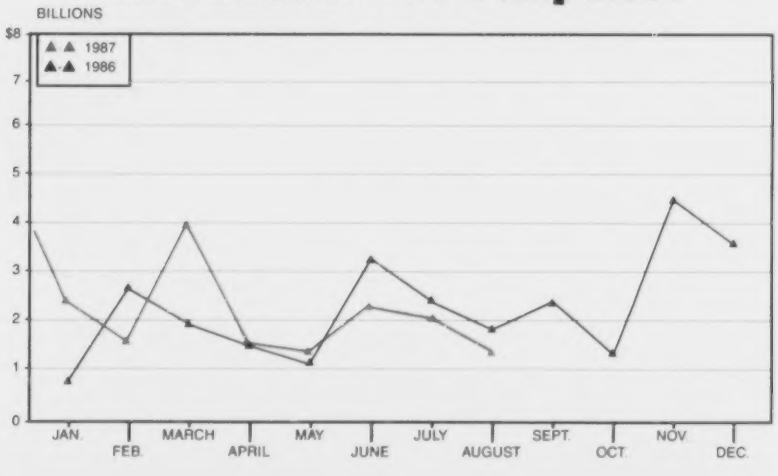
# Growth Rates by Company

## Annualized Premium Growth – Year to Date

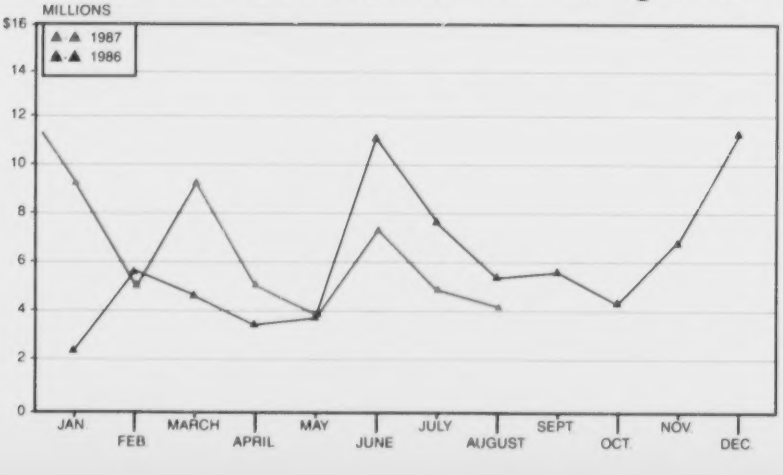



# Group Sales

## Face Amount – 15 Companies




## Annualized Premium – 11 Companies



# August Sales

| | Annualized premium (000) | | Face amount (000) | | Number of policies | |
|---|---|---|---|---|---|---|
| | 1986 | 1987 | 1986 | 1987 | 1986 | 1987 |
| Ordinary | | | | | | |
| Month | $ 34,462 | $ 34,793 | $ 4,792,106 | $ 5,149,149 | 66,459 | 64,580 |
| Year to date | $317,738 | $318,876 | $44,278,748 | $46,524,907 | 626,157 | 607,340 |
| Group | | | | | | |
| Month | $ 5,341 | $ 4,167 | $ 1,811,112 | $ 1,567,785 | – | – |
| Year to date | $ 43,690 | $ 49,456 | $15,614,885 | $16,777,284 | – | – |

# About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 35 companies plus six subsidiary companies operating in Canada. The contributors represent 78 percent of the 1985 Canadian ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these companies cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 15 companies operating in Canada. The contributors represent 58 percent of the 1985 Canadian volume of new or amended group contracts.

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# Contributors

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Canada Life*
COLONIA Life†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Equitable Life of Canada
Financial Life of Canada†
Great-West Life*†
Imperial Life of Canada*
Industrielle-Alliance Vie*†
(includes North West Life of Canada)
Knights of Columbus†
La Laurentienne
Laurier Life†
London Life*
Manufacturers Life†
Metropolitan Life*
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
North American Life (Canada)
Prudential of England*†
(includes Prudential Life of England)
Prudential of America*†
Royal Life (Canada)†
(includes Royal Life of Canada)
Seaboard Life
La Solidarite
State Farm Life†
Sun Life of Canada*†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
L'Union-Vie†
Zurich Life of Canada†

*Company contributes both ordinary and group data
Companies contributing group data only: Ætna-Vie and La Sauvegarde
†Company is included in product market share chart

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